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LEGISLATIVE RESEARCH COMMISSION

ANNEXATION LAWS



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REPORT TO THE 1983 GENERAL ASSEMBLY OF NORTH CAROLINA

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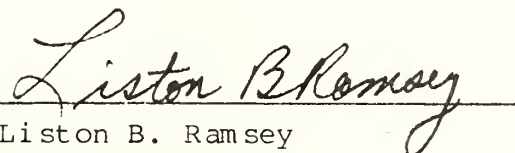
January 6, 1983

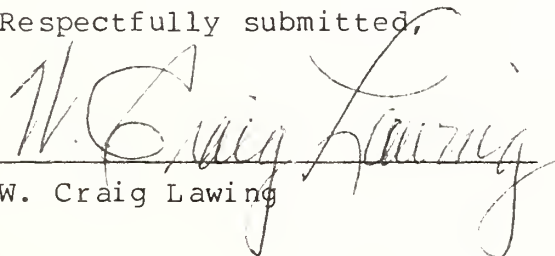
TO THE MEMBERS OF THE 1983 GENERAL ASSEMBLY:

The Legislative Research Commission herewith reports to the 1983 Session of the General Assembly of North Carolina on the matter of Annexation Laws. The report is made under the authority of G.S. 120-30.17(1).

This report was prepared by the Legislative Research Commission Committee on Annexation Laws, and the report and recommendations are approved and transmitted by the Legislative Research Commission to the members of the 1983 General Assembly for their consideration.

Respectfully submitted,


Liston B. Ramsey


W. Craig Lawing

Cochairmen

LEGISLATIVE RESEARCH COMMISSION

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1981-83

LEGISLATIVE RESEARCH COMMISSION MEMBERSHIP

House Speaker Liston B. Ramsey,
Cochairman

Representative Chris S. Barker, Jr.

Representative John T. Church

Representative Gordon H. Greenwood

Representative John J. Hunt

Representative Lura S. Tally

Senate President Pro Tempore
W. Craig Lawing, Cochairman

Senator Henson P. Barnes

Senator Carolyn Mathis

Senator William D. Mills

Senator Russell Walker

Senator Robert W. Wynne

PREFACE

The Legislative Research Commission, authorized by Article 6B of Chapter 120 of the General Statutes, is a general purpose study group. The Commission is cochaired by the Speaker of the House and the President Pro Tempore of the Senate and has ten additional members, five appointed from each house of the General Assembly. Among the Commission's duties is that of making or causing to be made, upon the direction of the General Assembly, "such studies of and investigations into governmental agencies and institutions and matters of public policy as will aid the General Assembly in performing its duties in the most efficient and effective manner" (G.S. 120-30.17(1)).

At the direction of the 1981 General Assembly, the Legislative Research Commission has undertaken studies of numerous subjects. These studies were grouped into broad categories and each member of the Commission was given the responsibility for one category of study. The cochairmen of the Legislative Research Commission, under the authority of General Statutes 120-30.10(b) and (c), appointed committees consisting of members of the General Assembly and the public to conduct the studies. Cochairmen, one from each house of the General Assembly, were designated for each committee.

The study of the State's interest in annexation laws was authorized by Resolution 61 of the 1981 Session Laws.

The Legislative Research Commission grouped this study in its legal area under the direction of Senator Henson Barnes. The cochairmen of the study committee established by the Research Commission are Senator James B. Garrison and Representative Aaron W. Plyler. The full membership of the committee is listed in Appendix A of this report. Resolution 61 authorizing the study and Senate Joint Resolution 4, which the committee was authorized to consider in determining the scope of the study, are attached as Appendices B and C.



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COMMITTEE PROCEEDINGS

The Legislative Research Commission's Committee on Annexation Laws met eight times, on January 23, 1982, March 24, 1982, May 13, 1982, September 23, 1982, November 18, 1982, December 2, 1982, December 17, 1982, and January 4, 1983. At its organizational meeting, the Committee heard presentations on the history, scope, and problems of the current annexation law, which was enacted by the 1959 General Assembly.

At the March 24, 1982 meeting, a public hearing was held with notices going to both wire services, eleven daily newspapers, the two major local government organizations, and over 50 private citizens who had expressed an interest in the subject. At the public hearing, 48 persons spoke, including 19 city officials, two county commissioners, two members of the General Assembly and 25 private citizens. Brief summaries of statements appear in the Committee minutes. A list of persons appearing before the Committee is contained in Appendix D .

At the May 13, 1982 meeting, a number of tentative recommendations were made concerning format and content of the public notice concerning annexation proceedings.

At its September 23, 1982 meeting, the Committee made more tentative recommendations concerning the timetable for annexation proceedings, the format for public notice, and county commissioner involvement.

At its November 18, 1982 meeting, the Committee heard extensive presentations concerning volunteer fire departments and water and sewer extensions, and also decided to ask for creation of a Commission to continue the study.

At its December 2, 1982 meeting, the Committee reconsidered its decision to ask for an extension of the study, and then tabled that motion. The Committee then took up ten recommendations submitted by committee member Fred Randall. It adopted suggestions that cities have the burden of proof to show that annexation was necessary for the public health, safety, and welfare, to make timetables more specific to require that water and sewer service

be available at the property line within two years of annexation, and to require that no taxes be paid after that period if the water and sewer lines were not in.

The Committee also voted to increase the percentage of area which must be in lots or tracts of five acres or less in size, but rejected recommendations that referendums be required for annexation, that density and boundary requirements be increased, and that cities be prohibited from assessing for new water and sewer lines in newly annexed areas.

At its December 17, 1982 meeting, the Committee voted to delete previously adopted suggestions for county commissioner involvement in annexations, and for cities to have the burden of proof on necessity of services. The Committee voted to recommend repeal of local acts, to require deannexation if water and sewer service is not provided within two years, and that no area can be annexed unless it has been covered in an annual report of the planning board for at least twelve months.

On December 28, 1982, a subcommittee met to discuss the problem of annexation as it relates to rural fire departments, and unanimously made several recommendations.

At its January 4, 1983 meeting the Committee adopted the report after making several final decisions.

RECOMMENDATIONS

The Committee has met eight times to discuss the annexation laws, and after review, makes the following recommendations.

RECOMMENDATION 1

That annexation reports be available for 30 days instead of the 14 days currently required in G.S. 160A-49(b)(3) and G.S. 160A-37(b)(3). Sections 1 and 2 of the bill implement this recommendation.

RECOMMENDATION 2

That the public hearing be held within 45 to 90 days of passage of the resolution of intent, instead of from 30 to 60 days. This would amend G.S. 160A-37(a) and G.S. 160A-49(a). Sections 1 and 2 of the bill implement this recommendation.

RECOMMENDATION 3

That copies of the public hearing notice will be sent by certified mail, return receipt requested. If returned, then the responsibility would be with the city to find the person to whom the notice is addressed. If delivery is not possible, a notice must be posted on the property within a week to 10 days, and the person placing the notice on the property must certify in writing that the notice was posted and the date of such posting. If property tax records are not adequate, then posting would be permitted.

That a list of property owners affected by the annexation be placed in the City Hall along with the legible map of the area to be annexed.

That newspaper publication be reduced from 4 times to 2 times.

These amendments are to G.S. 160A-37 and G.S. 160A-49.

Sections 1 and 2 of the bill implement this recommendation.

RECOMMENDATION 4

That if the annexation report is amended under G.S. 160A-49(e) to reflect additional grounds for annexation under G.S. 160A-48 that were not included in the original report, there must be

an additional public hearing at least 30 days later, which must be announced at the first public hearing. Section 3 of the bill implements this recommendation.

RECOMMENDATION 5

That the time for adoption of the annexation ordinance under G.S. 160A-37(e) and G.S. 160A-49(e) be changed from a seven to 60 day period to a ten to 90 day period. Sections 4 and 5 of the bill implement this recommendation.

RECOMMENDATION 6

That the effective date of the annexation ordinance under G.S. 160A-37(e)(4) and G.S. 160A-49(e)(4) be changed from the current maximum of 12 months to a new period of a 40 day minimum to a 13 month maximum. Section 6 of the bill implements this recommendation.

RECOMMENDATION 7

That the water and sewer maps prepared under G.S. 160A-35(1) and G.S. 160A-47(1) must bear the seal of a registered engineer. Section 7 of the bill implements this recommendation.

RECOMMENDATION 8

The requirements of G.S. 160A-33(5) and G.S. 160A-45(5) that annexed areas ". . . should receive the services provided for the annexing municipality as soon as possible following annexation", should be replaced with a specific reference to the applicable timetable. Sections 8 and 9 of the bill implement this recommendation.

RECOMMENDATION 9

In regard to cities with a population of 5,000 or over, G.S. 160A-47(3)b. requires that extension of major trunk water mains and sewer outfall lines are to be provided so that property owners will be able to secure public water and sewer service in accordance with the policy of the city for extension to individual lots, and if extension of major trunk water

mains and sewer outfall lines is required, that contracts must be let and construction begun within 12 months following the date of annexation. The Committee recommends that cities should additionally be required, at the request of the owner of an occupied dwelling unit or if an operating commercial or industrial property requests it, to extend a water and sewer line to the property line or to a point in a street right-of-way adjacent to the property within two years of the effective date of annexation. The city's policies on issues like assessment would continue to apply. Sections 10 through 12 of the bill implement this recommendation.

RECOMMENDATION 10

If recommendation 9 is not complied with, then a property owner whose property has not been so served may petition the Local Government Commission for deannexation. If the Commission finds that service has not been provided, it shall order deannexation and the city shall refund to the property owner any city taxes which have been paid, plus interest at the rate of eight percent (8%) per year. Sections 13 and 14 of the bill implement this provision.

RECOMMENDATION 11

For cities with a population of 5,000 or over, G.S. 160A-48(c)(2) requires that if the one person per acre standard is used, sixty percent of the total number of lots and tracts are one acre or less in size. The Committee recommends this be changed to sixty-five percent. Section 15 of the bill implements this recommendation.

RECOMMENDATION 12

That the annexation law set out clearly that a contract with an approved rural fire department shall be an acceptable method of providing substantially the same fire service on the same basis. Section 16 and 17 of the bill implement this recommendation.

RECOMMENDATION 13

That the annexation plan and report show the impact of annexation on volunteer fire departments and tax districts providing fire service in the area to be annexed. Sections 18 and 19 of the bill implement this recommendation.

RECOMMENDATION 14

If an annexation would take in ten percent or more of the assessed valuation of property in a fire, tax or insurance district served by a rural fire department, then the city shall be required to make a good faith effort to negotiate a five-year contract with that rural fire department if the rural fire department wishes to negotiate. If it is a tax district, then an offer to pay the tax rate in the district shall be deemed to be a good faith offer. If it is not a tax district, then an offer to pay the equivalent of the amount of the city tax rate going for fire protection (as a percentage of the city's general fund budget) shall be deemed to be a good faith offer. Other offers could still be shown to be in good faith. An offer of half the rate for first responder service is currently a common practice and might satisfy this criteria.

The rural fire department may, if it feels that no good faith offer has been made, appeal to the Local Government Commission. If the Local Government Commission finds that no good faith offer has been made, the annexation may not take effect until such an offer is made. Sections 20 and 21 of the bill implement this recommendation.

RECOMMENDATION 15

If the city does not contract for fire service in the annexed area, or at the conclusion of the contract if it does so contract, the city shall assume a proportionate share of any outstanding debt relating to facilities or equipment of the rural fire department, if the debt was existing at the time of annexation, with assumption based on the proportion at the time of annexation of assessed valuation of the district which is annexed. Sections 19 and 20 of the bill implement this recommendation.

RECOMMENDATION 16

That if a territory served by a rural volunteer fire department is annexed, and that because his residence is annexed, or the department is closed, the volunteer fireman is unable to perform as a volunteer or fireman of any status, and the volunteer fireman has been a member of the North Carolina Fireman's and Rescue Squad Workers' Pension Fund for a period of ten or more years, then the volunteer fireman shall be allowed to continue to pay the necessary assessments into the said Pension Fund until such time that he or she has the required number of years paid into the Pension Fund for retirement at the required age. Section 24 of the bill implements this recommendation.

RECOMMENDATION 17

That if a city annexed an area served by a rural fire department, and the annexation eliminates any full-time job, then the annexing municipality must do one of the following three items with respect to any person who has been in such full-time employment for two or more years at the time of adoption of the resolution of intent:

1) The annexing municipality may offer employment without loss of salary or seniority and place the person in a position as near as possible to the position that was held in the rural department; or

2) in the event that no fire position is developed, the employee can be placed in some other department of the city government at a comparable salary and seniority; or

3) the city may choose to pay to the person a sum equal to one year's salary to serve as the equivalent of severance pay.

For the purpose of this recommendation, the employee's salary is his salary for the twelve month period ending on the last pay period before the resolution of intent is adopted.

Because of the hardship worked by current annexations, the Committee recommends that this recommendation apply to all annexations which are not final at the time the bill is ratified. Sections 25 and 26 of the bill implement this recommendation.

RECOMMENDATION 18

The Committee recommends that all local acts concerning annexation be repealed, so that the annexation law will apply without modification. Sections 27 through 35 of the bill implement this recommendation.

RECOMMENDATION 19

The Committee recommends that in order to use Part 2 or Part 3 of the annexation law, a city be required to, by resolution of the city council or resolution of the planning board, identify areas that are being considered for annexation under the appropriate statute. Such resolution shall remain effective for two years after adoption. Effective January 1, 1984, no resolution of intent may be adopted for an area unless it has been so identified for at least one year. This will give citizens more advance notice of a proposed annexation. Sections 36 and 37 of the bill implement this recommendation.

RECOMMENDATION 20

Except as outlined in recommendation 17 (severance pay and re-employment) and recommendation 19 (annexation 12-month plan), the Committee recommends that this act be effective with respect to all annexations where a resolution of intent is adopted after January 1, 1983. The Committee feels that if a later date is adopted, that since this law is more restrictive, cities may rush to beat a deadline, which would be bad for cities and citizens alike. Cities can choose to follow the new recommendations or await final action on a bill.

STATEMENT OF PRINCIPLE

The Study Committee agrees in principle that the 1959 Annexation Law is in need of revision, that it causes excessive turmoil and litigation between citizens and municipalities, that

the cities have disproportionate discretionary powers under the 1959 law, that there have been substantive changes in the relative needs of cities and surrounding areas since 1959, and that changes in the law to achieve a better balance between the rights and needs of those being annexed and those of the cities would serve to alleviate the conflicts that constantly arise from application of this law.

DRAFT BILL

These recommendations are accompanied by a draft bill, which is attached as Appendix E. In some cases, text of the bill to accomplish a few of the recommendations has not yet been drafted. In these cases the Committee recommends that the Legislative Drafting Office draft these sections as soon as possible.

Membership List
Annexation Laws Study Commission

President Pro Tempore's Appointments

Sen. James B. Garrison
CoChairman
2121 Charlotte Road
Albemarle, NC 28001

Sen. Joseph J. Harrington
Oak Grove Road
Lewiston, NC 27849

Mr. James Little
2405 Amigo Drive
Fayetteville, NC 28305

Mr. Fred W. Randall
160 Shadow Lane
Charlotte, NC 28214

Mr. C. H. Timberlake
Davidson County Bd. of Commissioners
339 South Main Street
Lexington, NC 27292

Speaker's Appointments

Rep. Aaron Plyler
CoChairman
Route 7, Box 62
Monroe, NC 28110

Mr. Larry Carter
388 Rosscraggon Rd.
Arden, NC 28704

Mr. Robert Z. Falls
1308 Wesson Road
Shelby, NC 28150

Rep. Jim Morgan
P. O. Box 2756
High Point, NC 27261

Mrs. Lois Wheless
106 John St.
Louisburg, NC 27549

Professional Staff: Gerry Cohen
Genie Rogers

Clerical Staff: Mrs. Carolyn Honeycutt
Mrs. Judy Britt

GENERAL ASSEMBLY OF NORTH CAROLINA
EXTRA SESSION 1982
RATIFIED BILL

RESOLUTION 61

HOUSE JOINT RESOLUTION 1292

A JOINT RESOLUTION AUTHORIZING STUDIES BY THE LEGISLATIVE RESEARCH COMMISSION.

Be it resolved by the House of Representatives, the Senate concurring:

Section 1. The Legislative Research Commission may study the topics listed below. Listed with each topic is the 1981 bill or resolution that originally proposed the study and the name of the sponsor. The Commission may consider the original bill or resolution in determining the nature, scope and aspects of the study. The topics are:

(1) Continuation of study of revenue laws (H.J.R. 15 -- Lilley).

(2) Continuation of study on problems of aging (H.J.R. 48 -- Messer/S.J.R. 37 -- Gray).

(3) Day care (H.J.R. 223 -- Brennan).

(4) Civil rights compliance of non-State institutions receiving State funds (H.J.R. 344 -- Spaulding).

(5) Social services and public assistance (H.B. 393 -- P. Hunt).

(6) The need for new health occupational licensing boards (H.B. 477 -- Lancaster/S.B. 285 -- Jenkins).

(7) Matters related to public education, including:

a. The feasibility of making the 12th grade optional in the public schools (H.J.R. 890 -- Tally).

b. Continue study of public school food service (H.J.R. 948 -- Brennan).

c. The teacher tenure law (S.J.R. 621 -- Royall).

d. Providing teachers with duty-free periods (S.J.R. 697 -- Speed).

e. Continuation of study regarding purchase of buses in lieu of contract transportation, and other school bus transportation matters (no 1981 resolution).

(8) Campaign financing and reporting (H.J.R. 975 -- D. Clark).

(9) State's interests in railroad companies and railroad operations (H.B. 1069 -- J. Hunt).

(10) Matters related to insurance, including:

a. Insurance regulation (H.B. 1071 as amended -- Seymour), including the feasibility of establishing within the Department of Insurance a risk and rate equity board.

b. How the State should cover risks of liability for personal injury and property damage (H.J.R. 1198 -- Seymour).

c. Credit insurance (H.J.R. 1328 -- Barnes).

(11) Matters related to public property, including:

a. Development of a policy on State office building construction (H.J.R. 1090 -- Nye).

b. The potential uses and benefits of arbitration to resolve disputes under State construction and procurement contracts (H.J.R. 1292 -- Adams).

c. The bonding requirements on small contractors bidding on governmental projects (H.J.R. 1301 -- Nye).

d. Continue study of the design, construction and inspection of public facilities (S.J.R. 143 -- Clarke).

e. Whether the leasing of State land should be by competitive bidding (S.J.R. 178 -- Swain).

(12) Allocation formula for State funding of public library systems (H.J.R. 1166 -- Burnley).

(13) Economic, social and legal problems and needs of women (H.R. 1238 -- Adams).

(14) Beverage container regulation (H.J.R. 1298 -- Diamont).

(15) Scientific and technical training equipment needs in institutions of higher education (H.J.R. 1314 -- Fulcher).

(16) Role of the State with respect to migrant farmworkers (H.J.R. 1315 -- Fulcher).

(17) Existing State and local programs for the inspection of milk and milk products (H.J.R. 1353 -- James).

(18) Laws authorizing towing, removing or storage of motor vehicles (H.J.R. 1360 -- Lancaster).

(19) Annexation laws (S.J.R. 4 -- Lawing).

(20) Laws concerning obscenity (House Committee Substitute for S.B. 295).

(21) The feasibility of consolidating the State computer systems (S.J.R. 349 -- Alford/H.J.R. 524 -- Plyler).

(22) Laws pertaining to the taxation of alcoholic beverages and the designation of revenues for alcoholism

education, rehabilitation and research (S.J.R. 497 -- Gray).

(23) Regional offices operated by State agencies (S.J.R. 519 -- Noble).

(24) Continue study of laws of evidence (S.J.R. 698 -- Barnes).

(25) Continue study of ownership of land in North Carolina by aliens and alien corporations (S.J.R. 714 -- White).

(26) Rules and regulations pertaining to the Coastal Area Management Act (S.J.R. 724 -- Daniels).

(27) Transfer of Forestry and Soil and Water from Department of Natural Resources and Community Development to Department of Agriculture (H.B. 1237 -- Taylor).

(28) Continue sports arena study (H.J.R. 1334 -- Barbee).

(29) State investment and maximum earning productivity of all public funds (H.J.R. 1375 -- Beard).

Sec. 2. For each of the topics the Legislative Research Commission decides to study, the Commission may report its findings, together with any recommended legislation, to the 1982 Session of the General Assembly or to the 1983 General Assembly, or the Commission may make an interim report to the 1982 Session and a final report to the 1983 General Assembly.

Sec. 3. The Legislative Research Commission or any study committee thereof, in the discharge of its study of insurance regulation under Section 1(10)a. of this act, may secure information and data under the provisions of G.S. 120-19. The powers contained in the provisions of G.S. 120-19.1 through

G.S. 120-19.4 shall apply to the proceedings of the Commission or any study committee thereof in the discharge of said study. The Commission or any study committee thereof, while in the discharge of said study, is authorized to hold executive sessions in accordance with G.S. 143-318.11(b) as though it were a committee of the General Assembly.

Sec. 4. This resolution is effective upon ratification.

In the General Assembly read three times and ratified,
this the 10th day of July, 1981.

JAMES C. GREEN

James C. Green

President of the Senate

LISTON B. RAMSEY

Liston B. Ramsey

Speaker of the House of Representatives

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 1981

S

I

SENATE JOINT RESOLUTION 4

Sponsors:

Senators Lawing; Mathis, McDuffie and Cavanagh.

Referred to: Committee on Rules and Operation of the Senate.

1 January 19, 1981

2 A JOINT RESOLUTION CALLING FOR THE LEGISLATIVE RESEARCH
3 COMMISSION TO STUDY THE ANNEXATION LAWS.

4 Whereas, the last major revisions of the annexation laws
5 occurred in 1959; and

6 Whereas, there is growing concern about the subject of
7 annexation, procedures for annexation, and exemptions from the
8 current law;

9 Now, therefore, be it resolved by the Senate, the House of
10 Representatives concurring:

11 Section 1. The Legislative Research Commission as
12 structured by G.S. 120-30.10 et seq. shall make a detailed and
13 comprehensive study of the annexation laws of North Carolina,
14 which may also include the following:

15 (1) The current forms of annexation procedures, and the
16 exceptions for certain counties and cities in the existing laws;

17 (2) The current laws on extraterritorial planning and
18 zoning jurisdiction by municipalities; and

19 (3) Other forms of providing urban services, such as
20 special districts, and the advantages and disadvantages of such
21 forms.

1 Sec. 2. The membership of the Study Committee on
2 Annexation Laws shall consist of 10 members. The President Pro
3 Tempore shall appoint: (i) two Senators; and (ii) three persons
4 who are not members of the General Assembly, one of whom shall be
5 appointed from a list of three county commissioners submitted by
6 the North Carolina Association of County Commissioners. The
7 Speaker of the House shall appoint: (i) two members of the
8 House of Representatives; and (ii) three persons who are not
9 members of the General Assembly, one of whom shall be appointed
10 from a list of three elected officials of cities or towns,
11 submitted by the North Carolina League of Municipalities.

12 Sec. 3. The Legislative Research Commission may submit
13 an interim report to the 1981 General Assembly (Second Session
14 1982) and shall submit a final report to the 1983 General
15 Assembly.

16 Sec. 4. This resolution is effective upon ratification.

APPENDIX D

SENATE DRS6501-LB

Short Title: Revise Annexation Laws.

(Public)

Senator

Referred to:-----

A BILL TO BE ENTITLED

AN ACT TO REVISE THE ANNEXATION LAWS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 160A-49(a) through (c) are rewritten to read:

"(a) Notice of Intent. Any municipal governing board desiring to annex territory under the provisions of this Part shall first pass a resolution stating the intent of the municipality to consider annexation. Such resolution shall describe the boundaries of the area under consideration and fix a date for a public hearing on the question of annexation, the date for such public hearing to be not less than 45 days and not more than 90 days following passage of the resolution.

(b) Notice of Public Hearing. The notice of public hearing shall

- (1) Fix the date, hour and place of the public hearing.
- (2) Describe clearly the boundaries of the area under consideration, and shall include a legible map of the area.

- (3) State that the report required in G.S. 160A-47 will be available at the office of the municipal clerk at least 30 days prior to the date of the public hearing.

Such notice shall be given by publication in a newspaper having general circulation in the municipality once a week for at least two successive weeks prior to the date of the hearing. The period from the date of the first publication to the date of the last publication, both dates inclusive, shall be not less than eight days including Sundays, and the date of the last publication shall be not more than seven days preceding the date of public hearing. If there be no such newspaper, the municipality shall post the notice in at least five public places within the municipality and at least five public places in the area to be annexed for 30 days prior to the date of public hearing. In addition, notice shall be mailed at least four weeks prior to date of the hearing by certified mail, return receipt requested to the owners as shown by the tax records of the county of all real property located within the area to be annexed. If the signed receipt has not been received by the city as to a particular piece of property by the tenth day before the hearing, a copy of the notice shall be posted on the property at least 7 days before the hearing. If the governing board by resolution finds that the tax records are not adequate to identify the owners of real property within the area it may in lieu of the certified mail procedure, post the notice at least 30 days prior to the date of public hearing on all buildings in the area, and

in at least five other places within the area to be annexed. In any case where notices are placed on property, the person placing the notices shall certify that fact to the governing board.

(c) Action Prior to Hearing. At least 30 days before the date of the public hearing, the governing board shall approve the report provided for in G.S. 160A-47, and shall make it available to the public at the office of the municipal clerk. In addition, the municipality may prepare a summary of the full report for public distribution. In addition, the city shall post in the office of the city clerk, at least 30 days before the public hearing, a legible map of the area to be annexed and a list of property owners in the area to be annexed that it has identified.

Sec. 2. G.S. 160A-37(a) through (c) are rewritten to read:

"(a) Notice of Intent. Any municipal governing board desiring to annex territory under the provisions of this Part shall first pass a resolution stating the intent of the municipality to consider annexation. Such resolution shall describe the boundaries of the area under consideration and fix a date for a public hearing on the question of annexation, the date for such public hearing to be not less than 45 days and not more than 90 days following passage of the resolution.

(b) Notice of Public Hearing. The notice of public hearing shall:

- (1) Fix the date, hour and place of the public hearing.
- (2) Describe clearly the boundaries of the area under consideration, and shall include a legible map of

the area

- (3) State that the report required in G.S. 160A-35 will be available at the office of the municipal clerk at least 30 days prior to the date of the public hearing.

Such notice shall be given by publication in a newspaper having general circulation in the municipality once a week for at least two successive weeks prior to the date of the hearing. The period from the date of the first publication to the date of the last publication, both dates inclusive, shall be not less than eight days including Sundays, and the date of the last publication shall be not more than seven days preceding the date of public hearing. If there be no such newspaper, the municipality shall post the notice in at least five public places within the municipality and at least five public places in the area to be annexed for 30 days prior to the date of public area to be annexed for 30 days prior to the date of public hearing. In addition, notice shall be mailed at least four weeks prior to date of the hearing by certified mail, return receipt requested to the owners as shown by the tax records of the county of all real property located within the area to be annexed. If the receipt has not been received by the city as to a particular piece of property by the tenth day before the hearing, a copy of the notice shall be posted on the property at least seven days before the hearing.

If the governing board by resolution finds that the tax records are not adequate to identify the owners of real property within

the area it may in lieu of the certified mail procedure, post the notice at least 30 days prior to the date of public hearing on all buildings in the area, and in at least five other places within the area to be annexed. In any case where notices are placed on property, the person placing the notice shall certify that fact to the governing board.

(c) Action Prior to Hearing. At least 30 days before the date of the public hearing, the governing board shall approve the report provided for in G.S. 160A-47, and shall make it available to the public at the office of the municipal clerk. In addition, the municipality may prepare a summary of the full report for public distribution. In addition, the city shall post in the office of the city clerk at least 30 days before the public hearing a legible map of the area to be annexed and a list of the property owners in the area to be annexed that it has identified."

Sec. 3. G.S. 160A-496(e) is amended by adding the following immediately before the period at the end of the first sentence ", provided that if the annexation report is amended to show additional subsections of G.S. 160A-48(c) or (d) under which the annexation qualifies that were not listed in the original report, the city must hold an additional public hearing on the annexation not less than 30 nor more than 90 days after the date the report is amended, and notice of such new hearing shall be given at the first public hearing."

Sec. 4. G.S. 160A-376(e) is amended in the second sentence by deleting "no sooner than the seventh day following

the public hearing and not later than 60 days", and inserting in lieu thereof the words "no sooner than the tenth day following the public hearing and not later than 90 days".

Sec. 5. G.S. 160A-49(e) is amended by deleting "no sooner than the seventh day following the public hearing and no later than 60 days", and inserting in lieu thereof the words "no sooner than the tenth day following the public hearing and not later than 90 days".

Sec. 6. G.S. 160A-37(e) (4) and G.S. 160A-49(e) (4) are each rewritten to read:

"(4) Fix the effective date for annexation. The effective date of annexation may be fixed for any date not less than 40 days nor more than 400 days from the date of passage of the ordinance."

Sec. 7. G.S. 160A-35(1)b. and G.S. 160A-47(1)b. are each amended by adding the following new sentence at the end to read: "the water and sewer map must bear the seal of a registered professional engineer."

Sec. 8. G.S. 160A-33(5) is amended by deleting the words "as soon as possible following annexation" and inserting in lieu thereof the words "in accordance with G.S. 160A-35(3)".

Sec. 9. G.S. 160A-45(5) is amended by deleting the words "as soon as possible following annexation" and inserting in lieu thereof the words "in accordance with G.S. 160A-47(3)".

Sec. 10. G.S. 160A-47(3)b. is amended by adding the following new sentence at the end:

"If requested by the owner of an occupied dwelling unit or an operating commercial or industrial property before adoption of

the annexation ordinance, provide for extension of water and sewer lines to the property or to a point on a public street or road right-of-way adjacent to the property according to the policies in effect in such municipality for extending water and sewer lines."

Sec. 11. G.S. 160A-47(3)c. is rewritten to read:

"If extension or major trunk water mains, sewer outfall lines, sewer lines and water lines is necessary, set forth a proposed timetable for construction of such mains, outfalls and lines as soon as possible following the effective date of annexation. In any event, the plans shall call for construction to be completed within two years of the effective date of annexation."

Sec. 12. G.S. 160A-49(e) (3) is amended by adding immediately after the word "outfalls" the words "and water and sewer lines".

Sec. 15. G.S. 160A-48(c) (2) is amended by deleting "sixty percent (60%)" the second time it appears and inserting in lieu thereof the words and figures "sixty-five percent (65%)".

Sec. 18. G.S. 160A-35 is amended by adding a new subdivision to read:

"(4) A statement of the impact of the annexation on rural fire departments providing service in the area to be annexed."

Sec. 19. G.S. 160A-47 is amended by adding a new subdivision to read:

"(4) A statement of the impact of the annexation on rural fire departments providing service in the area to be annexed."

Sec. 24. G.S. 118-42 is amended by adding the following new paragraph immediately before the last paragraph:

"Any member who, because his residence is annexed by a city under Part 2 or Part 3 of Article 4 of Chapter 160A of the General Statutes, or whose department is closed because of an annexation by a city under Part 2 or Part 3 of Article 4 of Chapter 160A of the General Statutes, and because of such annexation is unable to perform as a fireman of any status, and if the member has at least 10 years of service with the pension fund, may be permitted to continue making a monthly contribution of five dollars (\$5.00) to the fund until he has paid into the fund the sum of one thousand two hundred dollars (\$1,200). The member shall upon attaining the age of fifty-five years and completion of such contributions shall be entitled to receive a pension as provided by this section. Any application to make monthly contributions under this section shall be subject to a finding of eligibility by the Board of Trustees upon application of the member."

Sec. 27. G.S. 160A-44 and G.S. 160A-55 are repealed.

Sec. 28. Chapter 983, Session laws of 1973 is repealed.

Sec. 29. Chapter 335, Session laws of 1973 is repealed.

Sec. 30. Chapter 91, Session laws of 1981 is repealed.

Sec. 31. Chapter 453, Session laws of 1973 is repealed.

Sec. 32. Chapter 1232, Session Laws of 1969 is repealed.

Sec. 33. Chapter 1058, Session Laws of 1969 is repealed.

Sec. 34. Article 2 of the Charter of the City of Fayetteville, being Chapter 557, Session laws of 1979, is repealed.

Sec. 35. Section 2.1 of the Charter of the Village of Walnut Creek, being Chapter 687, Session laws of 1975, as amended by Chapter 55, Session laws of 1977 and Chapter 257, Session laws of 1979, is further amended by rewriting that part of the first sentence before the colon to read: "The corporate boundaries of the Village of Walnut Creek, until changed in accordance with law, are as follows"

Sec. 36. G.S. 160A-37 is amended by adding a new subsection to read:

"(i) No resolution of intent may be adopted under subsection (a) of this section unless the city council (or a planning agency created or designated under either G.S. 160A-361 or the charter) has by resolution adopted at least one year prior to adoption of the resolution of intent, identified the area as being under consideration for annexation. The area described under the resolution of intent may comprise a smaller area than that identified by the resolution of consideration. The resolution of consideration may have a metes and bounds description or a map, shall remain effective for two years after adoption, and shall be filed with the city clerk."

Sec. 37. G.S. 160A-49 is amended by adding a new subsection to read:

"(i) No resolution of intent may be adopted under subsection (a) of this section unless the city council (or a planning agency

created designated under either G.S. 160A-361 or the charter) has by resolution adopted at least one year prior to adoption of the resolution of intent, identified the area as being under consideration for annexation. The area described under the resolution of intent may comprise a smaller area than that identified by the resolution of consideration. The resolution of consideration may have a metes and bounds description or a map and shall remain effective for two years after adoption, and shall be filed with the city clerk."

Sec. 38. This act shall be effective with respect to all annexations where resolutions of intent are adopted on or after January 1, 1983, except that Sections 36 and 37 shall become effective with respect to all annexations where resolutions of intent are adopted on or after January 1, 1984, and Sections 25 and 26 are effective as provided in those sections. No annexation where a resolution of intent was adopted prior to January 1, 1983, shall be affected by this act except as provided in Sections 25 or 26.

